THE HON'BLE SRI JUSTICE C.V. RAMULU

9th June, 2006

W.P.Nos.4782, 4783, 4970, 5740, 5850 and 5858 of 2005

W.P.No.4782 of 2005

Between:

Jiwaji Venkati … Petitioner

And

The Collector, Medak District at
Sangareddy & 2 others … Respondents

THE HON'BLE SRI JUSTICE C.V. RAMULU

W.P.Nos.4782, 4783, 4970, 5740, 5850 and 5858 of 2005

COMMON ORDER:

In all these Writ Petitions common questions of fact and law arise for consideration; therefore, they are being disposed of by this common Order.

The Writ Petitions are filed complaining that the respondent-Bank, without determining the due amount by conducting enquiry after giving notice to the petitioners, straight away proceeded to conduct public auction in respect of the mortgaged agricultural lands, for recovery of the loan amounts and the penal interest. Through the Notification issued by the District Collector, Medak on 26-10-2004, the applications for rescheduling of the loans of the borrowers were invited. Neither the case of the petitioners was considered for one time settlement nor their loans are rescheduled. It is difficult for the petitioners to clear the loans, since the whole area is a drought-ridden area. Unless and until the loans are rescheduled, it would be difficult for the petitioners to pay the amounts at once as demanded by the respondent-Bank.

Counter affidavits have been filed on behalf of the respondent-Society stating that the petitioners never made any representation for grant of time for repayment of loan and the one time settlement scheme is no longer in force for repayment of loan by the defaulters. Petitioners are defaulters under the instructions issued by the Government of Andhra Pradesh dated 11-6-2004; as such, they are not

entitled for any benefits granted by the Government. Apart from that, when a paper notification was issued on 7-10-2004 informing the loanees to come forward with an application for rescheduling of the loans obtained, the petitioners did not turn up.

Be that as it may, rescheduling of loans is a matter of course in the financial institutions. There need not be any cut-off date for rescheduling of the loans of the defaulters. Since the petitioners pleaded that they hail from drought-ridden area, it is always open for the respondents to consider the plea of the petitioners for rescheduling of the loans. Therefore, respondents are directed to consider rescheduling of the loans of the petitioners on such application being made by them, within a period of six (6) weeks from today. Thereafter, the respondents shall pass appropriate orders on the same as expeditiously as possible. Till such time, the impugned Orders/Notices cannot be given effect to.

With the above directions, the Writ Petitions are disposed of. No order as to costs.

09-6-2006

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